

Plaintiffs cannot show that Defendants' statements of legal compliance were known to be false at the time they were made. *Id.*

3. Second, Plaintiffs have not pled facts sufficient to create an "strong inference" of scienter that is "at least as compelling as any opposing inference one could draw from the facts alleged." *Tellabs Inc. v. Makor Issues & Rights, Ltd.*, 551 U.S. 308, 320 (2007). Again, the Complaint does not plead facts showing that any of Defendants knew their conduct to be illegal at the time the challenged public statements were made to investors. *See PR Diamonds, Inc. v. Chandler*, 364 F.3d 671, 684 (6th Cir. 2004). Plaintiffs cannot show scienter through evidence of motive and opportunity because they do not allege that the Individual Defendants stock sales were "unusual or suspicious," or that the Individual Defendants exhibited any other indicia of scienter recognized by courts in this Circuit. *Grillo v. Tempur-Pedic Intern., Inc.*, 553 F. Supp.2d 809, 820-21 (E.D. Ky. 2008).

4. Third, Plaintiffs have not linked any stock drop to a revelation that Reddy had made false and misleading statements, and thus, they have failed to plead loss causation. Although Plaintiffs allege that Reddy's stock price fell after investigations were revealed to the market, the investigations have not resulted in a finding of misconduct, and Defendants' prior statements have not otherwise been revealed to be inaccurate. As a matter of law, the mere disclosure of investigations is insufficient to support a showing of loss causation. *See In re Avista Corp. Sec. Litig.*, 415 F. Supp. 2d 1214, 1221 (E.D. Wash. 2005).

5. Pursuant to Local Rule 7.1, counsel for Defendants attempted to confer with counsel for Plaintiffs on December 17, 2009 regarding the relief requested in this motion. Counsel for Defendants was told that the three attorneys identified as lead counsel for Plaintiffs were all unavailable. Counsel for Defendants left a message, and did not receive a return

telephone call prior to the filing of this Motion. Accordingly, Defendants presume that this motion is opposed.

Wherefore, Defendants pray that the Court enter an order dismissing with prejudice Plaintiffs' Consolidated Class Action Complaint, and awarding such other relief to which they may show themselves entitled.

Dated December 17, 2009.

/s/ James R. Nelson
JAMES R. NELSON
DLA PIPER LLP (US)
1717 Main Street, Suite 4600
Dallas, TX 75201
Telephone: 214/743-4500
214/743-4545 (fax)
jr.nelson@dlapiper.com

SAMUEL B. ISAACSON
DLA PIPER LLP (US)
203 North LaSalle Street, Suite 1900
Chicago, IL 60601
Telephone: 312/368-4000
312/236-7516 (fax)
samuel.isaacson@dlapiper.com

RAYMOND W. HENNEY
**HONIGMAN MILLER SCHWARTZ
AND COHN LLP**
660 Woodward Avenue
2290 First National Building
Detroit, MI 48226-3506
Telephone: 313/465-7410
313/465-7411 (fax)
rhenney@honigman.com

*Counsel for Defendants Reddy Ice Holdings,
Inc., William P. Brick and Steven J. Janusek*